

# **CENTRAL SIERRA REGIONAL ECONOMIC RECOVERY WORK PLANS**

## **Counties of Alpine, Amador, Calaveras, Tuolumne and Mariposa**

**June 2009**

This Plan for the Central Sierra region, which is composed of five Counties (Alpine, Amador, Calaveras, Tuolumne and Mariposa), has been developed under the guiding principles contained in the American Recovery and Reinvestment Act of 2009 and the Regional Economic Recovery Work Plans effort as outlined by the California Business, Transportation and Housing Agency.

Components of both the Federal and State efforts include:

- an emphasis on job creation and economic benefit, both short-term and long-term;
- the ability of proposed programs and projects to meet the Act's expenditure requirements within either 120 days (120 Day Projects), or two years (Two Year Projects), of grant award;
- development of a Plan which supports, but does not replace, existing long-term plans for infrastructure, land use or economic development.

This Plan is intended to identify the most promising programs and projects which can meet the intent of the American Recovery and Reinvestment Act of 2009. The development of this Economic Recovery Work Plan is a cooperative process and is not intended to be a mandatory requirement for any organization or local government.

## **I. INTRODUCTION**

The Central Sierra Region is comprised for five Counties (Alpine, Amador, Calaveras, Tuolumne and Mariposa) consisting off 6,122 square miles of which a significant amount is under Federal and State ownership (All or parts of four National Forests, Yosemite National Park and two State prisons). Major transportation routes consist of State Highway 49 which traverses Amador, Calaveras, Tuolumne and Mariposa Counties and is the major north-south link for these Counties; State Highways 88 and 4 connect Amador and Calaveras County with Alpine County. Alpine County is located on the east side of the Sierra Nevada mountain range and is bordered on the east by the State of Nevada. Amador, Calaveras, Tuolumne and Mariposa Counties are located on the west side of the Sierra Nevada mountain range and are bordered on the west by the San Joaquin Valley. The population for all five Counties is approximately 160,491 persons. Private sector economies for the five County area revolve around a healthy tourism and recreation industry, along with the major Federal and State presence.

In the context of the State population, the region is rural, which is probably an understatement. The region contains 4/10ths of one percent of the State's population, yet it also comprises 4% of the State's land area. It contains the smallest County in the State, Alpine County, with a population of 1,216 as well as the smallest incorporated City in the State, Amador City, with a population 208. The largest County is Tuolumne with an unincorporated population of 52,101 and the largest City is Sonora with a population of 4,698. The City of Lone in Amador County is listed with a population of 7,788; however this number is inflated because it includes the incarcerated population in Mule Creek State prison (approximately 3,800 inmates). Population by County is as follows:

Alpine – 1,216 (No incorporated Cities)  
Amador – 37,943 (Includes five incorporated Cities)  
Calaveras – 46,127 (Includes one incorporated City)  
Tuolumne – 56,799 (Includes one incorporated City)  
Mariposa – 18,406 (No incorporated Cities)

It should be noted that the region's local governments have limited financial resources to address the need to provide staff resources for Federal and State grant writing as well as the project development requirements of Federal and State regulations. When the local government finances in the five County region are compared to local government finances for the State, this becomes more apparent. In any one fiscal year, the five County region has 6/10ths of one percent of all statewide local government financial resources. This lack of financial and staff resources places local governments in the region at a significant disadvantage when attempting to meet the competitive economic stimulus program requirements of Federal agencies in a significantly short time frame.

## **II. INFRASTRUCTURE**

### **A. Allocation of Stimulus Funds for Transportation**

Each County maintains its own transportation planning agency (the Alpine County Local Transportation Commission; the Amador County Transportation Commission; the Calaveras Council of Governments; the Tuolumne County Transportation Commission; and the Mariposa County Local Transportation Commission). Each of these County (or County-Cities) transportation planning agencies will establish the criteria and methods that will be applied in selecting projects to be funded in their respective Counties, subject to the specific requirements of the American Recovery and Reinvestment Act.

For Mariposa County, much of the road infrastructure is in need of repair or replacement as the condition of roads is unsafe for travel. Due to the poor condition of public roads, travel is difficult in some areas which cause problems for tourists, business and residential community. Moreover, bridges are in need of replacement as fissures infiltrate concrete structures as well as in the retaining walls section. Fire protection is

limited in many areas of the county as some roads are narrow and cannot support fire equipment.

Exhibit A describes selected projects for the transportation planning agency in the five Counties, as determined by each agency.

## **B. Allocation of Stimulus Funds for Other Infrastructure**

The American Recovery and Reinvestment Act allocates various funding levels among the existing Federal Departments and Agencies (USDA Rural Development, Commerce, Defense, Energy, Homeland Security, Housing and Urban Development, Justice, Treasury, Environmental Protection, Small Business Administration, Labor, Health and Human Services, and Transportation). These sources of Federal stimulus funding present opportunities for the completion of local infrastructure projects.

The primary criteria for accessing the stimulus funding available to each Federal Department and Agency will most likely be driven by existing individual regulations for each program. The information we currently have indicates that the Departments and Agencies will be using the stimulus funding primarily as a “supplement” to their normal annual appropriation by Congress. The significant difference between the stimulus funding and the normal annual appropriation is that the stimulus funding must be expended within specific time frames (120 days for part of the funds and two years for the balance). It appears that the first consideration in applying for stimulus funding will be the ability of a proposed project or program to meet the Department’s or Agency’s current requirements for funding.

The primary local applicants for stimulus funding will probably be Counties, Cities and Special Districts located in the Central Sierra region. It is Counties, Cities and Special Districts which are usually identified in various Federal programs as “Eligible Applicants”. As such, each County, City and Special District will be the agency which determines which of its infrastructure projects is a priority activity for stimulus funding. Successful local applicants for stimulus funding will be required to meet the specific funding requirements of the Federal agency being applied to, as well as the specific requirements established by the American Recovery and Reinvestment Act in reference to expenditure deadlines, accountability and “transparency”.

However, it is recognized that competitive proposals for stimulus funds will need to meet minimum requirements, which can be summarized as follows:

- A specific Federal program will need to be identified which can provide funding for the proposed infrastructure project. That identification process will match the proposed project with the existing (or possibly new) regulations of the Federal funding agency.
- Have any “local match” or “cost sharing” funding requirements (as defined by the Federal program) identified or in place prior to applying for stimulus funding.

- Should specifically identify the number of construction jobs (short-term job creation) which will be created as a result of the project.
- Should specifically identify the number of long-term employment opportunities which will occur when the project is completed. (For example: The expansion, or new development, of a sewer facility which is required to service a new hotel will result in new long-term employment opportunities at the hotel. What is the number of new employment opportunities which will be created at the hotel?)
- Should specifically identify the economic benefits accruing to the local economy and possibly the regional (multi-jurisdiction) economy. (Using the example above: The development of a sewer facility to service a new hotel will result in new transit occupancy taxes for the local jurisdiction, increased payrolls in the community, increased sales taxes, a possible decrease in the local unemployment rate, etc.)
- To apply for stimulus funding under the “shovel ready” – 120 day expenditure requirement – the proposed project should:
  1. Have completed all environmental review requirements for the project as required under the National Environmental Policy Act (NEPA) as well as any review required under the California Environmental Quality Act (CEQA). It should be noted that compliance for environmental review under both NEPA and CEQA can be a lengthy, time-consuming process. Unless review has been completed prior to submitting an application, the project will probably not be able to start within 120 days.
  2. Have completed plans and specifications for the project prior to submitting the application. Again, the time required to complete plans and specifications for the project may exceed the time to have the project under construction.
  3. Have “site control” for the project. In other words, any easements, rights-of-way, etc. required for the project will already be completed.
  4. Have all completed and approved permits in place which may be required by any Federal, State, or Local regulatory agency.
  5. Be ready to initiate an expedited bidding and award process immediately upon approval of an application by the identified Federal program.
  6. Be able to start construction within 120 days of award by the identified Federal program.

Analyzing each proposed project using the above template will probably result in one or more of the projects being identified as a priority for funding under the 120 day expenditure requirement. Those projects which cannot meet these criteria will need to be considered under the two year expenditure requirement described in the next section.

The criteria employed by Mariposa County to determine specific projects to be funded/administered by a regional agency includes an analysis relative to project cost, construction start date, duration of construction, job creation/retention, project readiness, meeting federal overlay regulatory requirements/national objectives, workforce development, health/safety, and economic development.

Mariposa County has a compelling need to address water issues, road/ public infrastructure and economic development. The main emphasis of these projects is to mitigate safety concerns and economic degradation.

#### *Mariposa County Water Issues:*

Relative to water issues, a Capital Improvement Project has been identified in an effort to improve a storm drain system in the Coulterville and portion of the town of Mariposa (3<sup>rd</sup> – 5<sup>th</sup> Street) area by pursuing the installation of additional culverts, inlets and increased pipe size for collection of flood water. Currently, high rainfall results in high pressure water blowing off grate covers resulting in flooding through private and public property (streets and parking lots). This water carries mud and scoured debris throughout both towns. On going torrential precipitation causes failure of culverts and drainage systems resulting in damaged road surfaces and bridges resulting in a disaster declaration from the State of California Office of Emergency Services. See Exhibit C.

Pursuing the Capital Improvement Project would correct water from cascading onto streets, under both residential and business structures. The project cost is approximately \$2.5M and would create approximately 25 jobs. See Exhibit C.

In addition, some areas of the County do not have adequate supply of water to serve its residential communities for both potable and fire water. The solution is to pursue a Capital Improvement Project for an additional well on line along with additional water storage. The project cost is approximately \$750,000. See Exhibit C.

#### *Mariposa County Public Infrastructure:*

Mariposa County needs four new fire stations as the current structures are dilapidated and unsafe. The Mariposa County Fire Department provides service from 12 community-based fire stations. Those stations were built, on average, nearly 30 years ago with donated materials and volunteer labor. Of the current stations, four require immediate replacement and three require immediate and substantial remodel to maintain firefighter safety. The project cost is approximately \$2.8M. Please see Exhibit "C".

Upon formal approval from the Board of Supervisors authorizing commencement of projects targeted for stimulus funding, those projects that are deemed ready-to go within 120 days shall be submitted to the appropriate State Agencies. Prior to submission of targeted projects to the various State Agencies, county staff shall streamline procurement and other regulatory requirements to assure efficiency. Local permitting, CEQA and NEPA shall be pursued simultaneously along with meeting other necessary State mandated requirements.

Exhibit B contains a current listing of projects which may be able to meet the 120 day expenditure requirement. The project sponsors were asked to address the following items in a summary format:

- Project sponsor name
- Project name (description and location)
- Current estimated costs of construction
- If environmental review had been completed under NEPA and CEQA
- If project design and engineering had been completed
- What short-term jobs will result from the project's construction
- What long-term employment opportunities would result from project completion.
- Identification of possible funding source(s).

Possible projects which could meet these minimum requirements were identified by project sponsors from throughout the region. Those projects which could not meet the minimum requirements are considered to be "two year" projects under the stimulus program; or, candidates for 2010 – 2011 appropriations by Congress to individual Federal programs.

### **C. INFRASTRUCTURE POTENTIALLY SHOVEL-READY WITHIN TWO YEARS**

Possible projects which could not meet all the minimum requirements described under part B (above) were identified by project sponsors throughout the region. At the current time these projects may be able to meet the two year, shovel-ready requirements for funding consideration.

If it is determined some of these projects cannot meet the two year requirement, then they should be considered for funding under the 2010 – 2011 appropriations by Congress to the individual Federal programs which will also be economic stimulus fund recipients.

Exhibit C contains a current listing of possible two year projects.

## **III. SUPPORT FOR HOUSING AND COMMUNITIES**

There have been no housing projects identified at the local level. The Central Sierra Planning Council, working in conjunction with local Counties and Cities has conducted Housing Rehabilitation Programs and First Time Home Buyer Programs for lower income households. These two programs are funded by the State Department of Housing and Community Development under the Community Development Block Grant (CDBG) Program and the HOME Investment Partnerships (HOME) Program. The First Time Home Buyer Program (Down-Payment Assistance) is funded under both CDBG and HOME. The Housing Rehabilitation Program is funded under CDBG.

Opportunities exist to provide short-term construction jobs under the Housing Rehabilitation Program when homeowners hire contractors to perform rehabilitation activities on their homes to address primarily health and safety issues. There is also an opportunity to access energy efficient resources (double-pane windows, insulation, energy saving water heaters, etc.) as part of the rehabilitation work. However both the Housing Rehabilitation and First Time Home Buyer Programs are “programs” as opposed to housing construction activities which would be “projects”. Generally, “projects” create more short term construction jobs than “programs”.

Federal stimulus funds for these programs will be provided to the Department of Housing and Community Development by the Federal Department of Housing and Urban Development, which received a substantial amount of stimulus funding nationally. For CDBG, the Department of Housing and Community Development will be receiving approximately \$10,700,000.

#### **IV. SITE CERTIFICATION PROGRAM**

Local jurisdictions would be interested in working with the State to develop a regional “Shovel-Ready Site Certification Program” which is applicable to our rural five County region.

#### **V. SUPPORT FOR SMALL BUSINESS AND INNOVATION**

Currently, we cannot determine the level of local interest in working with state and local partners in leveraging or competing for the various federal stimulus resources identified in the State’s Guidelines, and, developing economic development initiatives without more specific information on what type of action would be proposed. However, local agencies who might be interested in such a program would include, active economic development companies / organizations, chambers of commerce and tourist bureaus.

The County of Mariposa needs to establish an on going Microenterprise Assistance Revolving Loan Level One Program to provide critical and necessary capital needs and technical assistance to existing small and start-up businesses. The intent of such program is to assist in establishing home-grown businesses, which in turn will create

jobs, help Targeted Income Group (TIG) clients along with increasing the commercial and industrial base of the community. In addition, a Level Two Program is necessary to assist mid-sized business to expand its current operation resulting in expansion of structures and/or product lines, and create jobs for both TIG and non TIG clients. Moreover, due to lack of funding workforce development has lagged behind in Mariposa County. Funding is needed for Training and Employment Services targeting dislocated workers, adults, youths and TIG clients. The project cost is \$2M annually and would create approximately 45 new jobs under the loan programs, and 50 jobs annually under the Training and Employment Services for TIG and very low income households.

## **VI. WORKFORCE DEVELOPMENT**

The five County region currently works with two multi-County job training and placement agencies. The Mother Lode Job Training program services Amador, Calaveras, Tuolumne and Mariposa Counties. The Golden Sierra Job Training Program serves Alpine County. Both agencies are actively involved with job training and placement in their respective Counties using Federal funding sources, including stimulus funding.



## **METHODOLOGY USED FOR DEVELOPMENT OF THE “CENTRAL SIERRA REGIONAL ECONOMIC RECOVERY WORK PLANS”**

In March 2009, Larry Busby, Executive Director, Central Sierra Planning Council and Central Sierra Economic Development District, was contacted by representatives of the California Business, Transportation and Housing Agency with a request that the Executive Director assume the position of volunteer “Regional Coordinator” for the Counties of Alpine, Amador, Calaveras, Tuolumne and Mariposa Counties for the purpose of completing Regional Economic Recovery Work Plans. After reviewing the requirements for developing the Plans, Larry Busby agreed to assume the volunteer position, if the County of Mariposa could assume responsibility for identifying programs and projects for that County (the Central Sierra agencies are comprised of Alpine, Amador, Calaveras and Tuolumne Counties and not Mariposa County). Ms. Marilyn Lidyoff, Business Development Coordinator for Mariposa County agreed to assume this role on behalf of Mariposa County.

A draft of the Economic Recovery Work Plans document was developed and an initial list of draft programs and projects were created by sending a request for programs and projects to the following agencies:

- County Administrative Officers for the Counties of Alpine, Amador, Calaveras, and Tuolumne
- City Administrators / Managers for the Cities of Amador City, Angels, Lone, Jackson, Plymouth, Sonora and Sutter Creek
- Amador Water Agency, Calaveras County Water District, and Tuolumne Utilities District. In addition each of these Special Districts was requested to notify other Districts which might wish to participate in the program.
- Alpine County Local Transportation Commission, Amador County Transportation Commission, Calaveras Council of Governments and the Tuolumne Transportation Commission
- Ms. Lidyoff contacted appropriate agencies in Mariposa County

The draft Central Sierra Regional Economic Recovery Work Plans, and the list of projects and programs developed by local agencies, were provided to the Central Sierra Planning Council and Central Sierra Economic Development District Governing Boards for review, comment and recommendations, at their April 1, 2009 meeting. (The two Central Sierra agencies’ Governing Board is comprised of County Supervisors from

Alpine, Amador, Calaveras and Tuolumne Counties and City Council Members who represent the seven incorporated Cities, as well as Citizen Member representatives). Ms Lidyoff, County of Mariposa and Ms. Eloisa Klementich, Business, Transportation and Housing Agency, were also in attendance at the April 1<sup>st</sup> meeting. The Governing Board suggested that the Regional Coordinator send a final request for projects and programs to the agencies contacted during the first request, and incorporate those projects and programs in the final Central Sierra Regional Economic Recovery Work Plans.

The draft Central Sierra Regional Economic Recovery Work Plans was then submitted to the Business, Transportation and Housing Agency in the first week of April 2009.

The Regional Coordinator then contacted all of the agencies previously contacted with a request for a “final” list of projects and programs to be included in the final Central Sierra Regional Economic Recovery Work Plans. A copy of the transmittal document is shown in “**Attachment A**”.

On May 13, 2009, the Regional Coordinator met with Business, Transportation and Housing Agency staff in Sacramento to review the draft Plan and to discuss the current status of the regional economy.

During the final week of May, the final Central Sierra Regional Economic Recovery Work Plans document was completed and new projects and programs descriptions were added, as provided by local agencies.

The final Central Sierra Regional Economic Recover Work Plans document was transmitted to the Business, Transportation and Housing Agency on June 1, 2009.

Larry Busby  
Regional Coordinator  
Central Sierra Region  
June 1, 2009

## **ATTACHMENT A**

### **Transmittal Document to Local Agencies**

In March 2009, the California Business, Transportation and Housing Agency asked me to be the “Regional Coordinator” for the Counties of Alpine, Amador, Calaveras, Tuolumne and Mariposa to develop a “Regional Economic Recovery Work Plans” document for the five-County region. This State effort is intended to leverage resources to bring as much money as possible to California by identifying the most “shovel ready” projects in the five-County region. This program has been undertaken by the State in response to Federal stimulus funding available under the American Recovery and Reinvestment Act (ARRA).

I previously contacted local Counties, Cities and Special Districts in the five-County region to identify potential projects which could meet the general requirements of the ARRA, which are: projects which create short-term (construction) jobs, and projects which will create longer-term jobs. The identified projects were categorized as follows: transportation construction projects; projects which could begin construction within 120 days of a federal funding award; and, projects which could begin construction with 2 years of a federal funding award.

The attachment contains a “matrix” (in Excel) which summarizes the projects you previously submitted. In you have new information to add to the matrix for your agency’s projects, please update the matrix contained in the attachment. If you would like to add new projects, please do so and complete the matrix for the new project(s). If the matrix for your agency shows no projects, that is because none were previously submitted. If you would like to add projects to the matrix for your County, City or Special District please do so on the form contained in the attachment. In all cases, return the completed document to me by E-mail at: [cspc@mlode.com](mailto:cspc@mlode.com).

Your identified projects will be added to the final Central Sierra Regional Economic Recovery Work Plans which will be submitted to the California Business, Transportation and Housing Agency in the first week of June.

**Please provide the updated, and/or new, matrix for your County, City or Special District by no later than Friday, May 22<sup>nd</sup> in order for it to be included in the final Work Plan.**

Explanations of the matrix categories:

Sponsor & Project: The name of the agency with responsibility for project completion and the name of the project.

Costs: Current actual or estimated cost of the project.

CEQA & NEPA: Are both CEQA and NEPA environmental review processes completed (Yes or No)

Design/Engineering: Are project design and engineering completed. (Yes or No)

Short-Term Employment: Number of construction jobs needed created by the project.

Long-Term Employment: Number of long-term jobs resulting from the construction project. (Example: The expansion of an existing water treatment plant needed to support the development of a new hotel will result in short-term employment resulting from construction of the water treatment plant, and the development of the new hotel will result in the long-term employment opportunities.)

Possible Funding Source: The Federal and/or State funding source you have identified for the project.

Note that there are no “right or wrong” answers for the matrix. The matrix is intended to show the current status of the project. If you do not know the answer to one or more of the categories shown above, then leave the item blank.

The California Business, Transportation and Housing Agency has made the following statement concerning the development of Regional Economic Recovery Work Plans: “While we (the State) believe this cooperative process has the ability to yield great benefits for California, it is by no means mandatory for any organization or local government”.

I have also included the draft Central Sierra Regional Economic Work Plans, as an additional attachment, for background and more detailed information concerning this five-County effort.

*Questions? Contact Larry Busby (Regional Coordinator and Executive Director of the Central Sierra Planning Council and Central Sierra Economic Development District) at 209-532-8960.*